

TURKEY'S NEXT PRODUCER



**Corporate Presentation** 

**September 2016 | Precious Metals Summit Colorado** 

## Cautionary Statement



Certain statements in this presentation constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potential future events or performance (often, but not always, using words or phrases such as "believes", "expects" "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "will" or "are projected to" be taken or achieved) are not statements of historical fact, but are forward-looking statements.

Forward-looking statements relate to, among other things, all aspects of the development of the Yenipazar project in Turkey and its potential operations and production; the outcome and timing of decisions with respect to whether and how to proceed with such development and production; the timing and outcome of any such development and production; estimates of future capital expenditures; mineral resource estimates; estimates of permitting timelines; statements and information regarding future studies and their results; production forecasts; future transactions; future metal prices; the ability to achieve additional growth; future production costs; future financial performance; future financing requirements; and mine development plans.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include fluctuations in the price of gold, silver, copper, lead and zinc; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; risks generally associated with mineral exploration and development, including the Company's ability to develop the Yenipazar project; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in Turkey; general economic conditions worldwide; and the risks identified in Aldridge's latest Management's Discussion and Analysis under the heading "Risk Factors". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and except as required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

All dollar figures are stated in United States ("US") dollars unless stated otherwise.

## Corporate Highlights



### 100% Owner of Yenipazar Project in Central Turkey

- Open pit VMS deposit with exploration upside
- Robust economics with financeable CAPEX
- Permitted

### Deep expertise in Turkey

- Local Team CEO and technical team based in Turkey
- Local Partner brings construction expertise in the region

#### **Land Acquisition**

 Well underway; expected completion in H1 2017

### Financing

- \$40M credit facility announced and expected to close in September 2016
- Strong interest from potential project financiers



## Project Highlights – Yenipazar



## Polymetallic VMS deposit (open pit)

Revenue diversification

### Low CAPEX and high operating margins

- Excellent access to existing infrastructure
- \$230M CAPEX (2014 Optimization Study)

YENIPAZAR PROJECT ECONOMICS											
	Base Case	e Prices <sup>1</sup>	Spot Prices <sup>2</sup>								
	Pre-Tax	After-Tax	Pre-Tax After-Ta								
IRR	34.5%	32.2%	29.3%	27.5%							
NPV (7%)	\$382M	\$330M	\$310M	\$277M							
Payback	2.3 yrs	2.4 yrs	2.6 yrs	2.7 yrs							



<sup>&</sup>lt;sup>1</sup>Base Case Price Deck: Gold: \$1,250/oz, Silver: \$20.00/oz, Copper: \$3.00/lb, Lead: \$0.94/lb, Zinc: \$0.90/lb, USD/TRY 2.10

<sup>&</sup>lt;sup>2</sup>Spot at Sept. 12, 2016: Gold: \$1,328/oz, Silver: \$19.05/oz, Copper: \$2.10/lb, Lead: \$0.84/lb, Zinc: \$1.02/lb, USD/TRY 2.10 (spot FX = USD/TRY 2.97)

## Project Highlights – Yenipazar



### Feasibility Study (2013) and Optimization Study (2014) Completed

- NI 43-101 studies performed by Jacobs Engineering, Promer Engineering (Turkey), SRK, Norwest, P&E and other international consultants
- Value Engineering Review by Tenova Engineering (2015) confirmed CAPEX and OPEX with appropriate contingencies

## Permitted >> Indicating Full State Support

- EIA approved in 7 months
- Local business operating permit (GSM) approved 2 months after EIA

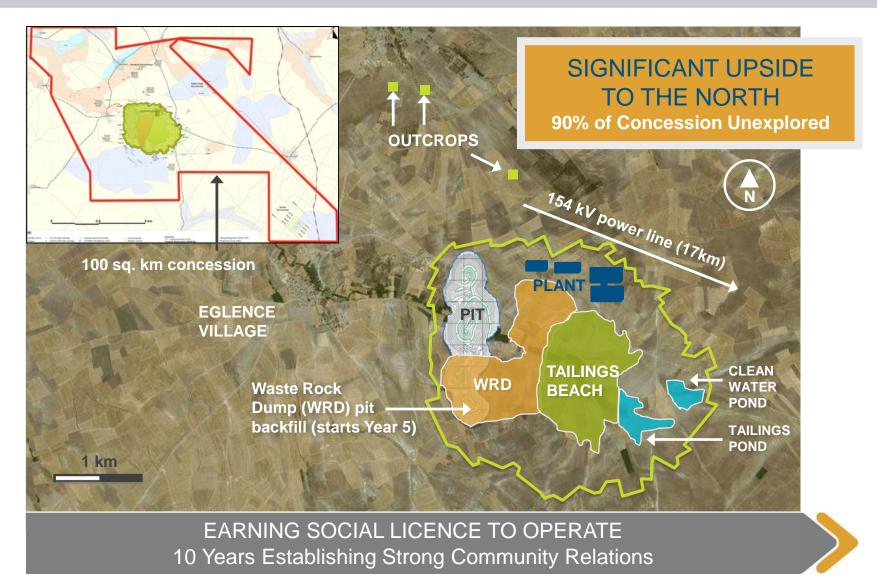
### Significant upside potential

Only 10% of 100 sq. km land concession has been explored

90% unexplored

## **Ideal Site Conditions**

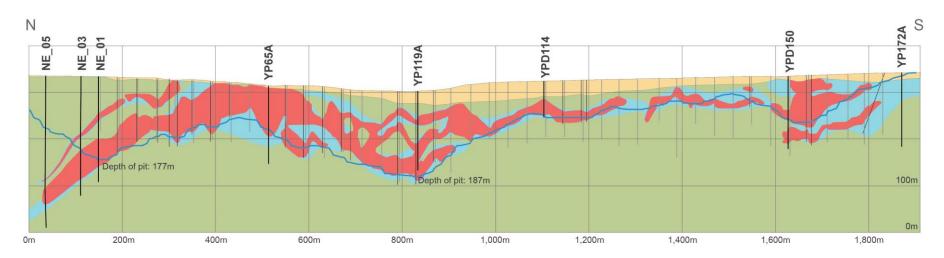




# Geology



# Simplified Longitudinal Section Of The Yenipazar Au-Ag-Cu-Pb-Zn Massive Sulphide Deposit, Central Turkey





## Yenipazar: 43-101 Reserves



	RESERVE ESTIMATE: April 15, 2014												
								Contained Metal					
Probable Reserves	Tonnage	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	NSR (\$/t)	Au (M oz)	Ag (M oz)	Cu (M lbs)	Pb (M lbs)	Zn (M lbs)	
Oxide	3,214,000	0.83	23.2	0.24	0.96	0.54	42.24	0.09	2.40	16.67	68.02	38.31	
Cu-Enriched	2,547,000	0.89	32.9	0.44	0.94	1.15	72.07	0.07	2.70	24.65	52.69	64.76	
Sulphide	23,407,000	0.89	29.9	0.29	0.95	1.54	90.08	0.67	22.52	149.72	489.67	795.38	
TOTAL	29,168,000	0.88	29.4	0.30	0.95	1.40	83.24	0.83	27.61	191.05	610.37	898.46	

#### **Notes on Mineral Reserves:**

- 1. Mineral reserves are as of April 15, 2014, see press release for full details.
- 2. The mineral reserves are based on NSR cut-off values of USD \$17/t for oxide and USD \$20/t for copper-enriched and sulphide mineralization
- 3. The reserve estimate is based on a resource estimate (see news release dated November 26, 2012). The metal prices used to derive the data for that resource estimate were reduced in the Optimization Study to Cu USD 2.90/lb, Pb USD 0.95/lb, Zn USD 0.90/lb, Au USD 1,250/oz and Ag USD 20/oz. Due to the more than 4 times NSR value over NSR cut-off, this reduction is not expected to materially affect the reserve tonnage and grades.
- 4. The mineral reserves used the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

## 30M TONNE RESERVE 12 YEAR MINE LIFE +70,000 METERS DRILLED

### HIGH GRADE FOR OPEN PIT: 2.42 G/T AU EQUIVALENT

## Yenipazar: Capital & Operating Costs



# PRE-PRODUCTION CAPITAL COSTS (CAPEX) IN MILLIONS

IN WILLIONS	
DIRECT	
Pre-production development	\$20
Mine equipment	\$0
Process plant and equipment	\$63
Tailings & waste rock dump	\$12
Infrastructure	\$23
Power transmission & substation	\$5
Total	\$123
INDIRECT	
Owner's cost (including land)	\$29
	\$29 \$15
Owner's cost (including land)	
Owner's cost (including land) EPCM	\$15
Owner's cost (including land)  EPCM  Other indirect costs	\$15 \$29

## HIGH MARGIN

NSR Per Tonne: \$83.24

LIFE OF MINE OPERATING COSTS <sup>1</sup>										
	\$ Total (millions)	\$/tonne of ore								
Mining - contractor	235	8.06								
Mining - owner	24	0.83								
Processing	498	17.06								
G&A	108	3.70								
Total	\$865	\$29.65								

#### TIMELINE

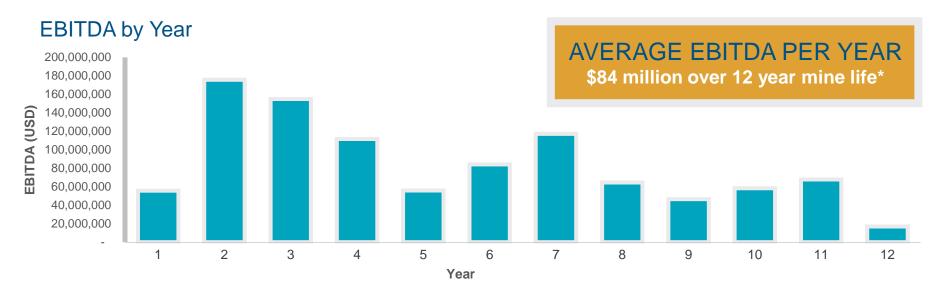
Commissioning and Ramp-Up expected to take Approx. 24 months

<sup>\*</sup>Additional sustaining capital of \$40M (\$16M for TMF, \$23M for closure, \$1M other).

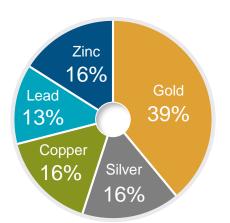
<sup>&</sup>lt;sup>1</sup>An average contingency of approximately 10% has been included in the operating costs.

## Revenue and Cash Flow





### Revenue by Metal



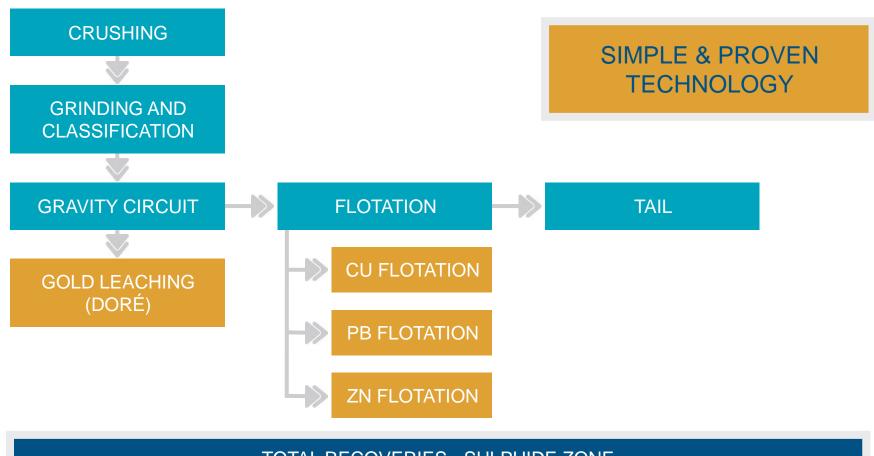
### Revenue by Product



PRODUCTION									
	Life of Mine Average Annua								
Gold (oz)	650,165	54,180							
Silver (oz)	19.4M	1.6M							
Copper (lbs)	122.1M	10.2M							
Lead (lbs)	387.0M	32.3M							
Zinc (lbs)	589.2M	49.1M							

## Yenipazar: Outline of Process Flowsheet





	TOTAL RECOVERIES - SULPHIDE ZONE											
YEARS 1-4	Au: 82%	Ag: 72%	Cu: 75%	Pb: 73%	Zn: 62%							
YEARS 5-11	Au: 79%	Ag: 76%	Cu: 72%	Pb: 70%	Zn: 77%							

# Turkey: Attractive Incentives, Experienced Team



# Place - Strong Support for Mining in Turkey

- Significant increase in mining sector GDP
- No. 1 gold producer in Europe

10 GOLD MINES OPERATING IN 2016
- ZERO OPERATING IN 2000

### People

- CEO leads a team of highly experienced employees in Turkey
- Local investor in Istanbul
- Access to highly productive and low cost labour force with mining expertise



## Experienced Team: Diverse Skill Set



BOARD		SENIOR MANAGEM	ENT
Barry Hildred Chairman	CEO & Director of Aquila Resources; founder of The Equicom Group.	Han IIhan President & CEO	Professional engineer; 26 years at URS leading global mining practice.
Baran Baycan	Founder of Baycan Law Firm, Turkey; extensive legal expertise.	Jim O'Neill CFO	CPA with over 30 years financial experience; 15 years as CFO.
Daniella Dimitrov	Over 20 years capital market experience; former CEO of Orvana Minerals.	Serdar Akca VP Country Manager	Geologist with over 25 years experience in exploration & development.
Ed Guimaraes	CFO of Sierra Metals; former CFO of Aur Resources.	Jaymes Dircks EPC Director	26 years successful EPC delivery. Significant experience in Turkey and central Asia.
Douglas Silver	Portfolio manager at Orion Mine Finance; former CEO of Intl. Royalty Corp.	Ahmet Senturk Exploration Director	Geologist with over 20 years experience in exploration & development.
Ahmet Taçyildiz	Chair of ANT Holding; extensive experience with large construction projects.	David Carew Director – IR & Corporate Dev.	Former Investment Banker with Canadian securities firm.
Hande Taçyildiz	Deputy Chair of ANT Holding.	Dennis Ferrigno EPC Consultant	40 years with Mining, Energy, Power and Natural Resources Development; 20 years experience working with Turkish contractors.
Talha Özkul	Istanbul-based businessman; nominee of ANT Holding.	John Cook Technical Advisor to the CEO	Mining engineer with over 45 years experience in operations and management. Former Chairman of Wolfden Resources and Premier Gold.
Mike Widmer	Zurich-based asset management and financial expert; nominee of APMS.	Prof. Dr. Zafir Ekmekçi Consulting Metallurgist	Recognized flotation expert based at Hacettepe University in Ankara.

# DEEP EXPERIENCE IN TURKEY COMBINED WITH INTERNATIONAL AND CAPITAL MARKETS EXPERTISE

# Land Acquisition Process



- Requires acquisition of 9.5 km<sup>2</sup> of land
- Agricultural land with no resettlement of people
- Proceeding with two parallel processes:
  - Voluntary sales
  - State-led compulsory process to mitigate holdout risk



## Land Acquisition Process



### **Voluntary Sales Process**

- Initial offer: 5.1 Turkish lira per m<sup>2</sup>
- To incentivize sales and accelerate process, added a deferred payment of 4 Turkish lira per m<sup>2</sup> to be paid within 24 months (i.e. on project financing)
- Aldridge currently has acquired title to or right to use approx. 63% of the required land
- Including commitments, Aldridge reached 89.2% of the total required land at August 1, 2016

### **State-led Compulsory Process**

- "Public Benefit" Letter (complete) Establishes legal certainty that land acquisition will be completed
- 2. State Price Determination (complete) The State determined price is approximately 1/3 of Aldridge's initial offer of 5.1 Turkish lira per m<sup>2</sup>
- 3. Court Price Determination and Verification (ongoing) The Courts have formed their own price commission to independently confirm the State price
- 4. Notification for Land Owners & Payment The Court price becomes legally binding. All land owners who have not already sold must sell their land to the State at this stage.
- > 100% land acquisition completion is expected in first half 2017

## Financing



### Interim Financing Announced

- \$40M credit facility provided by BKT Albania's largest bank
- 2 year facility with interest at LIBOR + 6% (minimum 9%)
- Use of Proceeds: refinance existing debt, complete land acquisition, working capital

### Project Financing – focus for 2017

- Significant interest from potential senior lenders
- Polymetallic nature of deposit opens up numerous alternative financing options



# Corporate Capital Structure



Shares Outstanding	107.0 million
Stock Options	7.2 million (avg. price C\$0.23)
Warrants	10.6 million (price US\$1.00) Expire September 25, 2016
Fully Diluted	124.8 million
Director/Management Ownership	3.0%
52 Week Range	C\$0.115 - C\$0.335
Recent Price	C\$0.305
Market Cap	C\$32.6 million
P/NAV	0.09X
Top Institutional Holders	<ol> <li>ANT Holding (30%)</li> <li>APMS Investment Fund (17%)</li> <li>Orion (11%)</li> </ol>

<sup>\*</sup> As at September 12, 2016.

STRONG SUPPORT AND COMMITMENT FROM MAJOR SHAREHOLDERS
Top 3 Shareholders Participated in Previous Financing at 72% Premium to Market

## Developer Comparables – Price to Net Asset Value





## Aldridge Differentiators



### Yenipazar Project

- Highly robust polymetallic project with strong cash flows
- All key Central and Local permits secured

### Deep Expertise in Turkey

 Local CEO, development team, and a large Turkish construction company as the major investor Construction execution and operational risks marginalized

### **Land Acquisition**

Nearing completion, expected in H1 2017

### Financing

- Interim financing Near-term catalyst
- Manageable funding requirements with strong interest from numerous parties across capital structure





# **APPENDIX**

INVESTOR CONTACT
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## Last Twelve Months Share Price Performance







# **Project Background**



Owner	Aldridge Minerals Inc. (TSX-V:AGM) – 100% (Alacer Gold Corp. maintains a NPI)
Project Location	Tethyan mineral belt, Central Turkey
Geology	Metamorphosed volcanogenic massive sulphide
Mining Operation	Conventional open pit utilizing contract mining
Strip Ratio	4.3 : 1 (4 : 1 excluding pre-strip)
Milling Rate	2.5 Mt/a (6,800 tpd)
Milling Capacity	2.7 Mt/a (7,500 tpd)
Processing Method	Conventional concentrator plant consisting of crushing, grinding, gravity separation, leaching, and flotation circuits
Overall Sulphide Recovery Rates	Gold: 80%, Silver: 74%, Copper: 73%, Lead 72%, Zinc 69%
Final Products	Gold doré bars Copper, Lead, and Zinc Concentrates
Mine Life	12 years

# Yenipazar: Recoveries by Ore Type



	Metal	Total Recoveries	Doré	Copper Concentrate	Lead Concentrate	Zinc Concentrate
	Gold	82%	71.5%	9%	0%	1.5%
	Silver	72%	2.5%	9.5%	50%	10%
Sulphide Yrs 1 – 4	Copper	75%	-	75%	-	-
1131-4	Lead	73%	-	-	73%	-
	Zinc	62%	-	-	-	62%
	Gold	79%	65%	10%	0%	4%
Sulphide	Silver	76%	4%	10%	51%	11%
Yrs 5 – 11	Copper	72%	-	72%	-	-
	Lead	70%	-	-	70%	-
	Zinc	77%	-	-	-	77%
	Gold	75%	53%	4%	10%	8%
	Silver	52%	6%	13%	21%	12%
Copper- Enriched	Copper	47%	-	47%	-	-
Limoned	Lead	35%	-	-	35%	-
	Zinc	34%	-	-	-	34%
	Gold	67%	60%	-	7%	-
	Silver	50%	45%	-	5%	-
Oxide	Copper	0%	-	-	-	-
	Lead	29%	-	-	29%	-
	Zinc	0%	-	-	-	-

## Yenipazar: Resource & Reserve Estimate



	RESOURCE ESTIMATE: November 26, 2012												
								Contained Metal					
Probable Reserves	Tonnage	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au Eq (g/t)	Au (M oz)	Ag (M oz)	Cu (M lbs)	Pb (M lbs)	Zn (M lbs)	AuEq (M oz)
Indicated	29,669,000	0.95	31.3	0.31	1.01	1.47	2.42	0.90	29.85	204.8	660.2	961.2	2.30
Inferred	369,000	0.47	25.5	0.18	0.94	1.89	1.88	0.01	0.30	1.5	7.7	15.4	0.02

#### **Notes on Mineral Resources:**

- 1. Mineral Resources are as of November 26, 2012, see press release for full details.
- Mineral resources which are not mineral reserves do not have demonstrated economic viability.
- 3. The quantity and grade of reported Inferred resources in this estimation are conceptual in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
- 4. The mineral resources in this estimate were calculated with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions.
- 5. The metal prices used to derive the data for that resource estimate were reduced in the Optimization Study to Cu USD 2.90/lb, Pb USD 0.95/lb, Zn USD 0.90/lb, Au USD 1,250/oz and Ag USD 20/oz. Due to the more than 4 times NSR value over NSR cut-off, this reduction is not expected to materially affect the reserve tonnage and grades.
- 6. All resources are reported within an optimized pit shell. The \$15/tonne Sulphide NSR cut-off value for resource reporting was derived from a processing cost of US\$12.50/tonne and a G&A cost of US\$2.50 per tonne. The \$12/tonne Oxide NSR cut-off value for resource reporting was derived from a processing cost of US\$9.50/tonne and a G&A cost of US\$2.50 per tonne. Mining costs were US\$1.35 and US\$1.85 per tonne respectively for oxide and Cu enriched/sulphide and optimized pit slopes were 40 degrees.

	PROBABLE RESERVE ESTIMATE: April 15, 2014												
									Contained Metal				
	Tonnage	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	NSR (\$/t)	Au (M oz)	Ag (M oz)	Cu (M lbs)	Pb (M lbs)	Zn (M lbs)	
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